
Individual Budgeted Funds

MAJOR BUDGETED FUNDS:

The General Fund - The General Fund is the Commonwealth's primary Governmental Fund. All governmental activities not specifically directed to another fund are accounted for in the General Fund. As a result, most budgeted expenditures of the Executive secretariats, the Legislature, constitutional offices, Judiciary, institutions of higher education and independent commissions are paid for from the General Fund. It similarly receives a significant portion of sales, individual income and corporate taxes, and the full amount of most other governmental taxes.

Highway Fund – to account for highway user taxes including the gas tax and fees; used to finance highway maintenance and safety services, and provide matching funds for federally sponsored highway projects as required.

Infrastructure Fund (Subfund of Highway Fund) - details specific components of revenue and expenditure related to the Highway Fund segregated per instructions in Section 2 O of Chapter 29 of the General Laws.

The Commonwealth Stabilization Fund – to account for amounts calculated in accordance with state finance law and maintain a reserve to enhance the Commonwealth's fiscal stability. Per the FY2005 General Appropriation Act tax revenues from certain lottery winners selling their stream of future winnings in exchange for current payments will be recorded in this fund. In FY2004, these functions were expanded to include cost recoveries from the Central Artery / Tunnel Project and the residual balance of the Temporary Holding Fund to the extent of expenditures from the Stabilization Fund.

Administrative Control Funds - account for the revenues generated by certain administrative functions of government, for which the Legislature has required that separate funds be established. These funds include:

Temporary Holding Fund – to account for cumulative tax revenues during the fiscal year in excess of permissible tax revenues as defined in Chapter 62F, Section 6A of the General Laws. The fund balance in the fund closes annually to the Stabilization Fund to the extent of revenues from that fund. Any remaining balance transfers to the General Fund.

Intragovernmental Service Fund – to account for the charges of any state agency for services provided by another state agency, for example, charges levied by the public employee retirement administration for workers compensation chargeback.

Transitional Escrow Fund - to account for the undesignated fund balances in budgetary funds from FY2005 before transfers pursuant to clause (b) of section 5c of Chapter 29 of the General Laws. This fund will expire on June 30, 2006, at which time the unexpended balance in the fund will transfer to the Stabilization Fund.

BUDGETED ENVIRONMENTAL FUNDS:

These funds account for a variety of revenues, which finance programs to preserve, protect and enhance the environment. These funds include:

Inland Fisheries and Game Fund - to account for revenues from license and permit fees for inland fishing, hunting, trapping, and sporting licenses and revenue producing stamps or the sales of land, rights and properties, gifts, interest, and federal grant reimbursements; used for developing, maintaining and operating the Division of Fisheries and Wildlife.

OTHER BUDGETED FUNDS:

These funds account for a variety of miscellaneous taxes, fees, fines and other revenues, which are restricted to the financing of specific Commonwealth programs.

Workforce Training Fund - to account for revenues from new unemployment surcharge of .075% of unemployment taxable wages on employers; to provide grants to employers and labor groups to provide education and training to new and existing employees.

Federal Medicaid Assistance Percentage Escrow Fund - to account for the inflows associated with Commonwealth Medicaid reimbursements in accordance with the Federal Jobs Growth Reconciliation Act of 2003 during FY2004.

The fund expired on June 30, 2005, with all remaining balances transferred to the General Fund.

Massachusetts Tourism Fund - to account for revenues received from hotel taxes; used to fund the Office of Travel and Tourism promotions and the Massachusetts Convention Center Authority.

Children's and Seniors' Health Care Assistance Fund – to account for a portion of the cigarette and smokeless tobacco tax, inventory tax and related investment income; to be appropriated for the provision of medical benefits to expansion beneficiaries and a five year pilot program of pharmacy assistance.

The following funds have been enacted in legislation but are inactive:

Collective Bargaining Reserve Fund - to account for transfers from the general fund, which may be used to fund negotiated contracts for state employees.

Tax Reduction Fund – to account for the maintenance of a reserve, which shall be used only to reduce personal income taxes.

Division of Energy Resources Credit Trust Fund – to account for the receipt, retention, redemption sale or transfer of energy conservation credits, renewable energy certificates or credits, emission credits and similar allowances. The Division of Energy Resources may expend these funds, subject to appropriation for the implementation of programs for energy reliability, renewable energy, public procurement of energy and energy efficiency and climatic change. Any unexpended balance in the fund at the close of a fiscal year is retained in the fund and the fund may not carry a deficit at the end of the state fiscal year.